



## Memorandum # 14/2002

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission  
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### MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Follow-up to PERAC Memo #36/2001

DATE: March 5, 2002

We have received several inquiries concerning the additional veteran's benefit provided for in G.L. c. 32, § 5(2)(b). Specifically, the effect of the veteran's benefit on a member-survivor receiving the \$3,000 minimum; the effect of the veteran's benefit on an allowance that was increased under § 90C; and the effect of the veteran's benefit on Option C Pop-up calculations.

The veteran's benefit has been interpreted to be an additional benefit paid above and beyond the regular benefits provided for in Chapter 32. Thus, all other things being equal, if there are two members, one who is a veteran, the other who is a non-veteran, the veteran's allowance should always be greater than the non-veteran's allowance by this additional veteran's benefit. As such, it should be added in the calculation of a member-survivor benefit after the minimum has been applied, it should be added on top of any benefits that are increased under §90C and should not be included in the allowances used in the pop-up calculation, but added in after the allowance has been popped-up. Attached for your convenience is a worksheet detailing how the pop-up should be performed when there is the additional veteran's benefit.

Also, we have received a few inquiries into whether the benefits due to deceased retirees should be paid to the estate or beneficiaries. In PERAC Memo #36/2001, the Commission instructed the boards to recalculate only the allowances for veterans or beneficiaries receiving benefits on the day of that decision. Following the decision in Dargin v. PERAC, the Commission is hereby revising its original position and will allow payments to be made to the estate or beneficiaries of deceased retirees.

We trust the foregoing is of assistance. If you have any questions concerning this calculation, do not hesitate to contact the actuarial unit.